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MENTAL HEALTH

RECOMMENDATIONS

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GOVERNOR'S TASK FORCE ON THE USE AND DISPOSITION OF
THE ROCHESTER STATE HOSPITAL SITE

- 1 -

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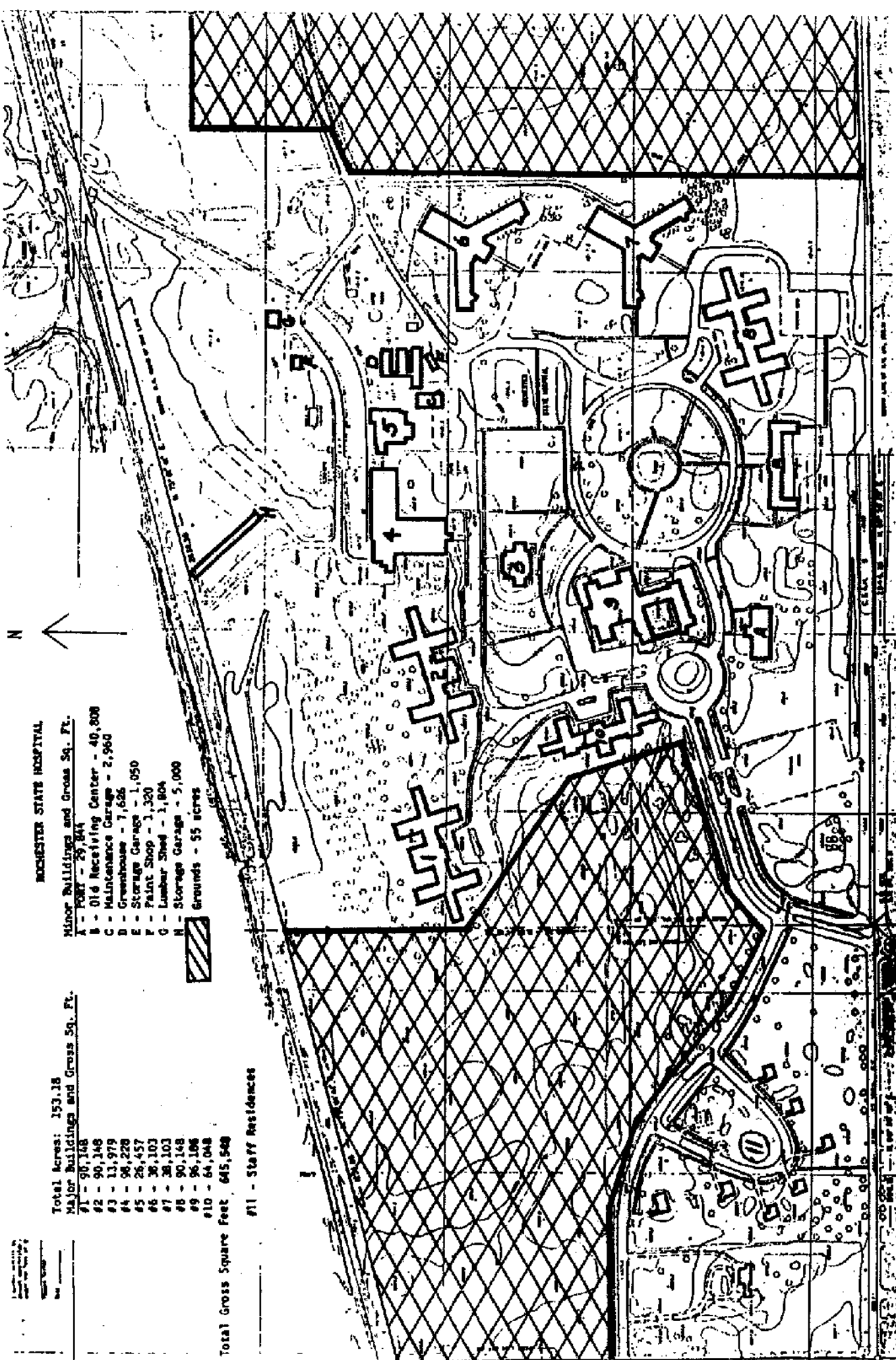
Ronald Young, M.D., Asst. Commissioner
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FOREWORD AND ACKNOWLEDGEMENTS

By executive order of Governor Albert Quie on March 2, 1982, this task force was established to study and make recommendations for the use and disposition of the former Rochester State Hospital which was closed on June 30, 1982.

The task force wishes to acknowledge the interest shown and the cooperation, data and suggestions given by over 250 citizens, professionals, elected officials, and organizations from throughout southeastern Minnesota, as well as by persons within the state government who assisted in developing this report.

The recommendations which follow reflect the thinking of many persons who see in the closing of Rochester State Hospital both a challenge and an opportunity to move creatively to meet the human needs of citizens in a manner which makes the best possible use of existing resources and public revenues.



ROCHESTER STATE HOSPITAL

Minor Buildings and Gross Sq. Ft.

- A - Port - 29,844
- B - Old Receiving Center - 40,808
- C - Maintenance Garage - 2,960
- D - Greenhouse - 7,626
- E - Storage Garage - 1,050
- F - Paint Shop - 1,320
- G - Lumber Shed - 1,804
- H - Storage Garage - 5,000
- I - Grounds - 55 acres

Total Acres: 153.18

Major Buildings and Gross Sq. Ft.

- #1 - 90,148
- #2 - 90,148
- #3 - 11,979
- #4 - 98,228
- #5 - 26,457
- #6 - 36,103
- #7 - 36,103
- #8 - 90,148
- #9 - 96,106
- #10 - 64,048

Total Gross Square Feet 645,548

#11 - Staff Residences

Governor's Task Force on the Use and Disposition of the
Rochester State Hospital

BUILDING AND SITE RECOMMENDATIONS:

The task force recommends that the state of Minnesota maintain its investment of public funds in the former Rochester State Hospital buildings and site in the following ways:

1. The inner core of the Rochester State Hospital campus should be converted to a multi-purpose service center with a primary focus on human services.
2. To assist counties of southeastern Minnesota in meeting mental health treatment needs, one building on the campus should be devoted to those services through:
 - a. Continued ownership and operation by the state of Minnesota, or
 - b. A gift to the interested counties.
3. Community agencies which currently utilize facilities on the campus should be given priority (right of first refusal), for continued use of those facilities through lease or purchase.

Current users Include:

- | | |
|--|--|
| a. Growth Center | e. Rochester Area Vocational-
Technical Institute |
| b. Quarry Hill | f. Rochester Park and Recreation
Department |
| c. Pine Circle | g. Zumbro Valley Mental Health
Center and Detoxification Unit |
| d. PORT (Probationed Offenders
Rehabilitation and Training) | |
4. The balance of the inner core should be converted to other uses.
In remodeling buildings on this campus, primary consideration should be given to meeting other needs for state facilities:
 - a. Corrections
 - b. Veterans
 - c. Post secondary education
 - d. State rentals
 5. The state of Minnesota should enter into a multi-year agreement with Olmsted County, designating the county to act as the state's agent and property manager during the conversion process.
The state should continue to provide maintenance support on an annual decreasing formula basis with revenues produced by lease or sale of campus properties being used to offset the operating costs.
 6. Immediate revenue to offset maintenance costs should be realized from the sale of peripheral properties including park lands and eight former staff residences.

MENTAL HEALTH RECOMMENDATIONS

The task force recommends that the State of Minnesota take three actions to assist in developing more cost-effective and appropriate mental health services in southeastern Minnesota which might serve as a model for other parts of the state.

1. Direct the Department of Public Welfare to assess the feasibility of operating a facility of approximately 35 beds to meet the need for crisis holds and stabilization, primarily of the mentally ill from southeastern Minnesota.
2. Provide flexibility for counties and an incentive to develop community treatment alternatives with a dedicated block grant pilot program.
This would give southeastern Minnesota counties direct responsibility for managing public funds for treatment of the mentally ill.
3. Continue and expand funding of low cost alternatives to institutional care throughout the state under DPW Temporary Rule 1 for Rule 36 facilities and Rule 14.

•Unanimously endorsed by District 9 Association of Minnesota Counties.

RECOMMENDATION 1: The inner core of the Rochester State Hospital campus should be converted to a multi-purpose service center with a primary focus on human services.

Single User Unlikely

The size of the former Rochester State Hospital campus and the number of buildings it contains makes it unlikely that a single user for the entire property can be found. Over the past 18 months no single buyer has been identified.

Excellent Condition for Reuse

The design of the buildings and their excellent condition¹ lend themselves well to continued use for human services.

Placing a variety of human services in such close proximity will encourage multi-disciplinary approaches to meeting human needs and sharing of resources to promote their cost-effective use.

Multi-Purpose Users

Twenty four possible users of the campus have been identified by the task force. Eighteen have come before the task force requesting over two-thirds of the existing space.

Their needs range from as little as 400 square feet to two entire buildings.

Possible users of the inner core include:

- Mental Health:

<ul style="list-style-type: none"> -Multi-County Crisis Center -Growth Day Treatment Center -Olmsted Developmental Achievement Center 	<ul style="list-style-type: none"> -Quarry Hill Residential Treatment Center -Rochester Chemical Dependency, Inc. -Zumbro Valley Mental Health Outpatient and Detoxification Centers
--	---
- Education:

<ul style="list-style-type: none"> -Rochester Community College -Rochester Area Vocational-Technical Institute -Winona State University 	<ul style="list-style-type: none"> -College of St. Teresa -Southeast Minnesota Educational Cooperative Service Unit
--	---
- Corrections:

<ul style="list-style-type: none"> -Probation Offenders Rehabilitation and Training (PORT) 	<ul style="list-style-type: none"> -State Women's Correctional Facility -National Institute of Corrections Training Academy
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- Other:

<ul style="list-style-type: none"> -Olmsted County (waste recycling) -Channel One (food distribution) -Rochester Pastoral Counseling 	<ul style="list-style-type: none"> -Public Housing -State Offices -Veterans Administration Nursing Home
---	--
- Possible peripheral property users Include:

<ul style="list-style-type: none"> -ARC Group Homes -Rochester Chemical Dependency, Inc. 	<ul style="list-style-type: none"> -Plne Circle (Residential Chemical Dependency Treatment)
--	--
- Other:

<ul style="list-style-type: none"> -Rochester Park and Recreation Programs 	<ul style="list-style-type: none"> -Private Residences
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Table 1 on page 5 estimates the square footage each user might need and groups them by type of building appropriate for that need.

Some agencies requested specific buildings. Others had requests that could be accommodated in more than one location.

¹Appendix IV. Summary of Building and Site Report

TABLE 1
POTENTIAL USERS ROCHESTER STATE HOSPITAL INNER CORE

- 5 -

BUILDING NO. AND RSH USE	GROSS SQUARE FOOTAGE AVAILABLE	TYPES OF USE WITH SAME OCCUPANCY GROUP	POTENTIAL USER	SQUARE FOOTAGE REQUIRED
1 Psychiatric Hospital	90,148	Sanitarium, Hospital, Correctional Institute	State Women's Correctional Facility	90,148 plus some land
2 Psychiatric Hospital	90,148	Sanitarium, Hospital, Correctional Institute	Veterans Administration Nursing Home Winona State University* Zumbro Valley Mental Health Cnt.* quarry Hill Treatment Center* Crisis Center*, Growth Center* MH Hospital Unit	16,000
8 RSAC-HR Residential Units"	90,148			90,143
3 Religious Activity Cnt.	13,797	Religious Group Activities	Rochester Church Community* Rochester Pastoral Counseling*	400
4*** Service Building	98,228	Storage, Office, Business	Olmsted County* Southeast MM Educational Cooperative Service Unit* Channel One*	50,000 2,500 Office 4,000 Warehouse Food Cooler Freezer/Coaler
5***	26,457	Power Plant	Olmsted County*	26,457
6 Staff Education, Day Hospital, Volunteer Services	38,103	Residential, Educational, Office	Rochester Area Vo-Tech. Institute* Rochester Community College*	38,103 6 classrooms
7 Educational Classrooms, Care of Mentally Retarded	38,103		Rochester Area Vo-Tech Institute* Olmsted Developmental Achievement Center*	38,103 24,000
9 Medical/Surgical Hospital, Administration	96,186	Hospital, Administrative, Educational	Winona State University* College of Saint Teresa* Rochester Chemical Dependency Services* State Offices	15,000 3,500
10 Community Consultation Center	64,048	Storage, Office, Educational	National Institute of Corrections	

PERIPHERAL PROPERTIES

West Nurses Dorm** - A	29,844	Dormitory, Residential Care	Probation Offenders Rehabilitation and Training (PORT) *	29,844
Old Receiving Center - B		Demolish	Demolish/Public Housing*	
Medical Director's Residence	1,595	Group Home, Private Residence	Rochester Chemical Dependency. Inc.* ARC Group Home*	1,595 1,695
Superintendent's Residence	1,716	Residential Treatment Private Residence	Residence	
6 staff Residences**	940 to 1,233	Residential Treatment Private Residence	Rochester Chemical Dependency, Inc."	All six houses
Garages (2) Storage Sheds Green House"	4,010 3,124 7,626	Garage Storage Green House	Rochester Area Vo-Tech Institute*	7,626
Grounds**	55 acres	Grounds	Rochester Park and Recreation Dept*	

*Interest Verified

"Presently in Use

***Presently Used by State Hospital

Possible users listed opposite Buildings 2, 8, 9 and 10 could be shifted in final planning. Dual Interests In space exist for Buildings 7 and 8 and the medical director's residence.

RECOMMENDATION 2: To assist counties of southeastern Minnesota in meeting mental health treatment needs, one building on the campus should be devoted to these services through:

- a. Continued ownership and operation by the state of Minnesota, or
- b. A gift to the interested counties.

Rochester State Hospital had long served as the focal point in the continuum of care for mentally ill, mentally retarded and chemically dependent people in southeastern Minnesota.

It served as both entry point and broker of care, particularly for those patients for whom counties had responsibility.

Impact of Closing

The greatest impact of the sudden closure² has been on mentally ill patients in all categories:

Those in crisis..., those requiring hospitalization, and

The chronically mentally ill who previously had been able to function in the community with the security of RSH (which positively reinforced progress and served as a back-up resource should their conditions worsen).

Some local programs have been expanded and new ones instituted, but use of state hospitals continues to be the preferred placement for an estimated 1,500 admissions per year.

Contrary to earlier estimates made for the legislature at the time of closure, use of state hospitals by southeastern Minnesota residents dropped only 22.7% rather than the projected 431.3

Lack of beds and distance has become substantial barriers to receiving treatment.

Geographic Location

Geographic location has also been a factor in the transition.

Residents of counties in the eastern part of the region now have to travel two or three times the distance to reach a state hospital than they did to reach Rochester.

All counties are affected. St. Peter, the designated state hospital for the mentally ill and chemically dependent, is not available nearly one-third of the time. This requires travel to Willmar or Fergus Falls, much greater distances.³

Emergencies

The greatest unresolved problem is managing assaultive patients, especially during the 72-hour to 14-day period prior to commitment to a state hospital.

A secure, centrally located facility is needed for patient management and to eliminate the numerous, costly trips back and forth to more distant state hospitals during the process of holding, evaluation and hearings.

Service for Crisis Patients

A crisis management unit should be housed in a building on the Rochester State Hospital campus in conjunction with existing community based mental health services.

This would take the pressure off the current state hospital system which is operating in excess of full capacity.

It will free up needed space in other state hospitals.

Other Minnesota counties who are also experiencing difficulty in emergency admissions will be better served by diverting southeastern Minnesota patients in crisis to a small unit in Rochester.

²See Appendix V. Impact of Closure of RSH.

³See Appendix VI, Comparative Use of State Hospital System Before and After RSH Closure.

RECOMMENDATION 3: Community agencies which currently utilize facilities on the campus should be given priority (right of first refusal), for continued use of those Facilities through lease or purchase.

Community agencies currently providing human services on the Rochester State Hospital campus are:

1. Probationed Offenders Rehabilitation and Training [PORT] has occupied the former nurses' dormitory Since 1967. This 1910 building had been declared surplus by the state.

 PORT has put approximately \$100,000 into the building to make it usable for its multi-county program.

 It is prepared to add an additional \$135,000 to complete remodeling and code compliance.

 It currently pays \$9,646 annually in leasing costs including utilities.
 2. Pine Circle Community Living Center. a residential chemical dependency program operated by Rochester Chemical Dependency Services, Inc., has occupied six former staff residences since 1972,

 These residences were declared surplus,

 Because of the condition of the residences, a low cost lease of \$600.00 per year was negotiated, Rochester Chemical Dependency Services, Inc., spent \$100,000 to rehabilitate these six structures.
 3. Rochester Area Vocational Technical Institute (RAVT1) uses the greenhouse for horticulture instruction. They pay utility costs, estimated to be \$12,000 this year.
 4. City of Rochester Park and Recreation Department has developed and maintained 50 acres at the extreme east and west of the complex as park and recreation space for all citizens, including recreation facilities for the handicapped.

 The land has been appraised at \$200.000.

 The city is interested in purchase or might consider exchanging use of the property for maintaining the grounds and roads of the entire campus.
 5. Mental Health Programs: Zumbro Valley Mental Health Center, a long time user of Building 10, has consolidated its multi-county outpatient program and detoxification unit into Building 6.

 Also in the building is Quarry Hill Residential Treatment Center, & new multi-county treatment program for the mentally ill funded under Temporary Rule 1 for Rule 36 facilities.*

 Thomas Group operates Growth Center, a Rule 14 outpatient treatment center for mentally ill persons, in the same building.**

 Olmsted County is leasing half of the building for use by these programs for \$17,330 per year including utilities.
- Temporary Rule 1 (12 MCAR, 2.001). Rule 36, Licensed Facilities (Based on part on S.245.782, Subds, 6 and 9, 12 MCAR S. 2.036).
- *Rule 14 (M.S. 256 E.12, 12 MCAR 2.014).

RECOMMENDATION A: The balance of the inner core should be converted to other uses.

In remodeling buildings on this campus, primary consideration should be given to meeting other needs for state facilities:

- a. Corrections
- b. Veterans
- c. Post-secondary education
- d. State Rentals

STATE USES--INNER CORE

The RSH campus represents a considerable investment by the taxpayers of Minnesota.

The excellent condition of the buildings suggests that this investment can be protected by modifying the way it is being used to meet a variety of human needs.

Remodeling costs can be expected to be less than half that of new construction costs. Three specific state uses are:

1. HIGHER EDUCATION SERVICES

Rochester Area Vocational-Technical Institute (RAVTI)...Buildings 6 and 7.
Currently, Rochester Area Vocational-Technical Institute leases several detached sites. The same amount of space could be provided in buildings 6 and 7.

This space is adjacent to the existing RAVTI campus.

Winona State University (WSU)...Building 8 or 9. Winona State University leases an elementary school building from the Rochester School District.

Use of 15,000 square feet in building 8 or 9 would better accommodate the college's needs and allow for continued expansion of Rochester based graduate programs.

The cost to remodel would be only a fraction of new construction costs.

College of St. Teresa and Rochester Community College Rochester Area Vocational-Technical Institute and Winona State University have agreed to share their space with Rochester Community College and the College of St. Teresa.

Both schools need classroom space at times when RAVTI and WSU would not be making full use of the buildings.

Providing space for Rochester Area Vocational-Technical Institute and Winona State University programs now in Rochester in three buildings on the state hospital campus would:

save the state over \$50,000 annually, the amount now spent in leasing other space.

Housing these Institutions in close proximity will:

foster shared services such as library resources necessary to maintain accreditation and

enable the schools to avoid duplication in programming.

A study released in October 1982 by the Rochester Area Chamber of Commerce revealed a continuing demand for higher education in the area.

Since this demand may not be sufficient to justify new four year college in the area, one suggestion made in the study is expansion of existing resources, such as Winona State University's Rochester programs.

2. CONSOLIDATE STATE RENTALS

The state annually spends \$101,038 to rent space in Rochester for state agencies' use. Their consolidation on this site can help offset the costs of maintaining the campus. They include WSU, RAVTI, Corrections. Regional Health Department, Public Welfare (Blind) and Revenue Department.

(State uses continued on next page.)

3. WOMEN'S PRISON ... Building 1

\$10 Million Savings

Building 1 at Rochester State Hospital can be converted to a women's prison at a savings of at least \$10 million over new construction. It provides the state legislature with a less costly and more expedient means to resolve the current inequity in the housing of women prisoners.

Estimated remodeling costs of \$2.7 million might be reduced by providing space for staff training, food service, and medical and dental care in nearby institutions such as Rochester Area Vocational-Technical Institute, the Religious Activity Center and Olmsted Community Hospital.

The campus' tunnel system provides secure access to other buildings in the inner core where these auxiliary services may be available,

Rochester Meets All Criteria

Rochester meets all five criteria set by the Department of Corrections for a prison site.

The Corrections Department, in a report of September 1982,⁴ indicated that minor revisions in allocations of square feet within the building's 90,148 square feet would not hamper programming.

Behind Building 1, at the extreme northwest corner of the complex, is an area which can easily be fenced in for recreation purposes.

Proximity to Families

In terms of driving time, Rochester is no farther than Shakopee for those who travel from one side of metropolitan Minneapolis / St. Paul to the other.

There is direct bus transportation between Rochester and the downtown areas of Minneapolis and St. Paul and to the metropolitan airport several times each day.

Analysis should also be made to determine the percentage of inmates' children who are in foster care rather than staying with relatives during the time sentences are completed.

If many are using foster care, the issue of children's visits can be resolved by placing them in foster homes in Rochester which has an excellent foster care record and a fine school system.

Chances for Employment

Employment opportunities in Rochester are believed to be commensurate with the education and experience of the women inmates.

The vocational-technical school and other agencies working with both corrections and social service clients have excellent records in placing persons.

Rochester area employers are unusually helpful in providing employment opportunities for persons who are physically or socially disadvantaged.

They are open to developing model programs which use the private sector for skills, training and transitional employment.

Local Support

The department's report states that they found excellent community acceptance and support of the project in Rochester.

The community's volunteer record in corrections is strong. Rochester has been a leader in innovative programs which use volunteers in corrections.

Winona State University and Rochester Area Vocational-Technical Institute have several programs which could place students in human service studies as interns in a prison setting.

(Non-state uses on next page.)

⁴Planning for a Women's Correctional Facility Status Report. Minnesota Department of Corrections, September 1982

NON-STATE USES--INNER CORE

Seven non-state organizations would be compatible users of the campus along with the state users described earlier.

1. RELIGIOUS ACTIVITY CENTER...Building 3

The Religious Activity Center was built and furnished with donations from the religious community of southeastern Minnesota.

The Rochester Area Pastoral Counseling Center wishes to use four offices (400 square feet) in exchange for managing the center as a meeting place for area organizations.

The religious community supports this use and would like the remaining space to be used for ecumenical purposes, particularly by major users of other buildings on the campus.

2. SOUTHEAST MINNESOTA EDUCATIONAL COOPERATIVE SERVICE UNIT (SMECSU)..Part of Building 4

SMECSU is interested in office, warehouse and cooler space in the service building.

3. CHANNEL ONE...Part of Building 4

Channel One is a social service agency working with the elderly and youth.

It wishes to use cooler and freezer space for its surplus food and redistribution programs which are utilized by eligible community agencies.

4. Olmsted County...Buildings 4 and 5

Olmsted County is studying the possibility of modifying the power plant to burn solid waste and utilizing the service building to recycle paper.

Both projects could employ the handicapped.

Demolishing the old receiving center (Building B), as recommended, could free up land for projected public housing needs.

5. Veterans Administration Nursing Home...Building 2 or 9

The Veterans Administration in Minnesota estimates a current demand for southeastern Minnesota veterans of up to 158 nursing home beds and over 400 beds by the year 2000.

Their long-term health care study released in January 1982 shows that 8.6 percent of the state's veterans are from southeastern Minnesota.

The aging of the veteran population makes expansion necessary, veterans prefer to be near home, in a Minnesota Department of Veterans Affairs facility and near medical care.

Buildings 2 or 9 are suitable to convert at a minor cost and could provide area veterans the care they seek at a location they prefer.

6. Olmsted Developmental Achievement Center...Part of Building 7

Space originally used as an activity center for the retarded is regarded by Olmsted DAC as meeting the exact requirements for a community based DAC designed with appropriate separation of children and adults and space for full programming.

7. National Institute of Corrections...Building 9 or 10

Use of one or more buildings on the campus by the National Institute of Corrections for a national training academy is an option worth further study. At this time, the National Institute of Corrections has extended its original 1984 timetable (for making a decision) at least a year until a more thorough study of long-range program goals and space needs can be completed.

RECOMMENDATION 5: The state of Minnesota should enter into a multi-year agreement with Olmsted County, designating the county to act as the state's agent and property manager during the conversion process.

The state should continue to provide maintenance support on an annual decreasing formula basis with revenues produced by lease or sale of campus properties being used to offset the operating costs.

Extensive and Complex Land Use

Any project Involving 24 different users (see table 1) and conversion of over 600,000 usable square feet of building space to new uses would require a large amount of time, effort and money.

Through a multi-year agreement with Olmsted County, the state could be divested of operational responsibilities and the details of developing the site. It is the only one of the eleven counties willing to consider overall management responsibility.

State Retains Control

The state would retain final control since several buildings have potential state use.

The state's retention of ownership would provide maximum control to determine which buildings may best meet state needs.

Preserve Taxpayers' Investment

When surplus property of one department is viewed as a resource available to other departments which need space, the state makes the best possible use of the taxpayers'⁵ investment.

To do otherwise might appear to be an imprudent use of tax funds in a period requiring frugal use of all resources.

The Minnesota Department of Administration has estimated that a quick sale might produce \$3.2 million with a longer range return of \$5 million.

The legislation now in effect for disposal of RSH calls for sale of the property.

Even if there were buyers, such a sale would not provide the state with sufficient revenue to offset the costs of construction of facilities needed by other departments in state government.

Local Responsibility in Development

Olmsted County will be in a better position than the state to follow-up or pursue possible out-of-state users,

A liaison committee has been formed between the task force and the Rochester Chamber of Commerce to maintain continued contact with the National Institute of Corrections.

New requests for information as well as the requests received toward the end of the task force's deliberations such as from Dharma Realm Buddhist University and Comp Care can also be monitored.

Self-Sufficient Operation

Annual operating costs can be significantly offset by revenue from:

Current Leasers	Moving state agencies (now leasing elsewhere
New Occupants	in Rochester onto the site)

Some potential users of the campus are readily available.

High utilization of buildings is expected to result in a self-sufficient operation since all users should be required to pay full costs of their utilities and maintenance.

⁵Appendix IV, Building and Site Report, Southeastern Minnesota Health Systems Agency

RECOMMENDATION 6: Immediate revenue to offset maintenance costs should be realized from the sale of peripheral properties including park lands and eight former staff residences.

Over 68 acres on the extreme east and west of the campus, which are separate from the Inner core properties, are suitable for sale.

After disposition of these properties the inner core would be approximately 85 acres. (See map on page 2 of report).

Sell Former Staff Residences

The former superintendent's house and lot had been appraised locally at close to \$200,000 for continued use as a private residence. Its value may be somewhat less in today's market.

The value of the former medical director's home is estimated to exceed \$60,000.

The six remaining former staff residences which form a half circle have been adapted into a residential chemical dependency treatment program: Pine Circle Community Living Center.

Their composite value would be reduced if sold separately.

Any sale price set on Pine Circle should be determined in consideration of recommendation 3, concerning continued use, and the \$100,000 investment which Rochester Chemical Dependency, Inc. has put into the structures since they were declared surplus by the state.

Revenue from Parklands

The 55 acres used by the Rochester Park and Recreation Department have been appraised at close to \$200,000.

There is potential for sale to the city or an exchange of use of the lands for maintenance of all other grounds and roads on the campus.

The latter could reduce annual operating expenses for the state.

RECOMMENDATION 1: Direct the Department of Public Welfare to assess the feasibility of operating a facility of approximately 35 beds to meet the need for crisis holds and stabilization, primarily of the mentally ill from southeastern Minnesota.

Unmet Need

In nearly one-third of cases involving mentally ill and chemically dependent persons, beds have not been available in the new catchments area of St. Peter State Hospital.

On an annual basis, this means close to 300 southeastern Minnesota patients will be placed elsewhere.

In cases of patient crisis requiring involuntary holds, the problem becomes severe since local hospitals cannot manage violent patients.

The problem is compounded by the new commitment law which, while clarifying procedures and protecting patients' rights, requires more trips between hospital, court and evaluation site.

Small Inpatient Unit...to Relieve Overcrowded State Hospitals

A small inpatient unit, operated within a building in which other mental health services were located, could allow accessible safe holds for patients in crisis while their commitment proceedings are taking place.

As far as possible, the unit should use the equipment and furnishings which are now being held at RSH.

This unit could be operated as a satellite of St. Peter Hospital.

The unit would relieve some overcrowding in other state hospitals which are operating at peak capacity due to increased statewide demand and higher than estimated continuing needs of southeastern Minnesota residents.

The estimate provided to the state legislature, at the time a vote was taken to close RSH, of an overall reduction in state hospital population by southeastern Minnesota citizens, has proved incorrect:

	Estimated Reduction	Actual Reduction
Chemically Dependent	-90%	-21%
Mentally Ill	-40%	-17.6%
Mentally Retarded	-10%	-51%

The overall reduction has been 22,7% with a markedly different distribution of patients by type.⁶

This resulted in an increase in demand on the state hospital system of approximately 200 admissions per year.

Continuity of Care

Continuity of care can result from housing a small inpatient unit in a building with community-based mental health programs.

Proximity of staff members promotes sharing as patients move into less structured treatment.

⁶Appendix VI Comparative Use of State Hospital System Before and After RSH Closure.

RECOMMENDATION 2: Provide flexibility for counties and an incentive to develop community treatment alternatives with a dedicated block grant pilot program. This would give southeastern counties direct responsibility for managing public funds for treatment of the mentally ill.

Extend Local Control

A pattern of local control over expenditure of funds for human services has been set in the Community Social Services Act, Community Health Services and the Community Corrections Act.

The proposal extends the concept to the payment of services to the mentally ill for whom counties have responsibility,

Pilot A New Funding Concept

A dedicated block grant pilot project in southeastern Minnesota would involve approximately ten percent of the state hospital budget based on per capita allocations for southeastern Minnesota's proportion of the state's population.

That percentage is too small to threaten the operation of the state hospital system.

Staffing represents 83% of state hospital budgets and is the place where adjustments are made.

Department of Public Welfare's quarterly staffing reviews allow any necessary adjustments to be made to reflect client demand in much the way it is done by hospitals operating in the private sector.

Since state hospitals continue to be competitive in price for the care of mentally ill, mentally retarded and chemically dependent persons, the counties in southeastern Minnesota will continue to be highly motivated to use the state hospital system for many of those requiring hospitalization.

There would, however, be some Incentive to develop modest, low cost, less structured alter-natives where appropriate.

Draft Legislation

Draft legislation for this pilot program is being written which proposes to further reduce the risk to state hospitals.

It guarantees a gradual reduction of use of the state hospital system over a five year period.

Participating counties would be required to revert to the standard method of payment of state hospital services should there be more than a 15% overall average rate of change in state hospital utilization in a three year period.

It also provides that any unused funds would be returned to the state hospital system.

The amount of funding available would be annually adjusted to reflect reimbursement experience,

Counties as Prudent Purchasers

The pilot project is an example of the philosophical approach to public funding recommended in a recent study released by the Citizen's League of Minneapolis.

It suggests that when government becomes a prudent purchaser of services from either public or private vendors, it has the opportunity to seek the best value for funds expended.

RECOMMENDATION 3: Continue and expand funding of low cost alternatives to institutional care through the state under DPW Temporary Rule 1 for Rule 36 facilities and Rule 14*

Principles of Mental Health Care

In recent years there has been a shift in philosophy for the care of mentally ill, mentally retarded and chemically dependent persons from "institutionalization" to "community care".

Current principles for mental health care are:

1. Persons living in all areas of Minnesota should have reasonable access to the full continuum of mental health services.
2. Mental health services should be provided in the least restrictive and most natural environment which is consistent with the individual's needs.
3. To the maximum extent possible, planning and delivery of mental health services should be a local and regional function with all areas of the state receiving an equitable share of available dollars and other resources.
4. The delivery of services should be organized in a manner and scope which promotes cost effectiveness with particular emphasis on both coordination and utilization of existing resources and services.

New Cost Effective Programs

Two sources of funding have allowed the legislature to implement this philosophy.

Rule 14 funds day treatment programs and Temporary Rule 1 for Rule 36 facilities provides programming for residential patients who voluntarily seek treatment.

Both serve the chronically mentally ill over age 18.

These programs have a daily cost which is less than state hospital costs and have realized a 45% reduction in the use of state and local hospitals.

Currently Winona and Olmsted Counties receive Temporary Rule 1 funds and Goodhue, Mower, Olmsted and Winona Counties have Rule 14 grants. All programs are multi-county within the limitations of program funding.

Unfortunately, these programs are limited in the number of counties they serve and are funded through appropriations which will end next summer.

Statewide, 36 counties are served with Rule 14 funds. Five currently receive the Temporary Rule 1 funds for Rule 36 facilities with 14 projected for FY 1983.

Since they represent a successful and cost effective response to the needs of the chronically mentally ill, their funding should be maintained and expanded to give all counties the opportunity to develop these services.

*Temporary Rule 1 (12 MCAR, 2.001). Rule 36, Licensed Facilities (Based in part on S.245.782, Subds. 6 and 9, 12 MCAR 5, 2.036). Rule 14 (M.S. 256 §.12, 12 MCAR 2.014).

7Appendix VIII, Continuum of Care.



EXECUTIVE ORDER NO. 82-5

Providing for the Establishment of a
Governor's Task Force on Use and
Disposition of the Rochester State Hospital Site

I, Albert H. Quie, Governor of the State of Minnesota, by virtue of the authority vested in me by the Constitution and applicable statutes, including but not limited to Minnesota Statutes 1981, Sections 4.035 and 15.0593, do hereby issue this Executive Order:

WHEREAS, the Rochester State Hospital has served the Olmsted County area for many years by providing community and regional activities as well as state hospital services; and

WHEREAS, there are many worthwhile future uses possible for the Rochester State Hospital site; and

WHEREAS, consideration of the merits of these alternative uses by the community and region, as well as the State, will improve the quality of the information necessary to identify the best uses to serve the people of the State.

NOW, THEREFORE, I order:

1. The establishment of a Governor's Task Force on the Use and Disposition of the Rochester State Hospital site pursuant to Minnesota Statutes 1981, Section 15.0503 and other applicable statutes. The Task Force shall consist of fifteen (15) members appointed by the Governor. The Chair of the Task Force shall be chosen by the members from their own membership,

2. The Task Force shall invite appropriate public and private organizations to participate in its deliberations and to provide resistance to all of the activities of the Task Force.

3. The Task Force shall conduct a study of possible uses of the Rochester State Hospital site by both public and private organizations and the disposition in whole or in part of that site and make specific recommendations to the Governor regarding such uses and disposition. Priority should be given to the preparation of a land use and long-range development plan for the campus in accordance with the recommendations of the Rochester State Hospital Task Force. The study shall be available as a decision-making tool and a guideline for the management and/or use of the property. The study and recommendations shall be submitted to the Governor by December 1, 1982.

4. The cooperation of all State Departments and Agencies with the Task Force.

5. The terms of Task Force members and to the Task Force shall coincide with the terms of this Executive Order.

Pursuant to Minnesota Statutes 1981, Suction 4.035, this order shall be effective fifteen. (15) days after its publication in the state Register and filing with the Secretary of State and shall remain in effect until it is rescinded by proper authority or expires in accordance with the provisions of Section 4.035, Subdivision 3.

IN TESTIMONY WHEREOF, I hereunto set my hand on this 2nd day of March, 1982


ALBERT H. QUIE
GOVERNOR

Filed According to Law:


Joan Anderson Grove
Secretary of State

BACKGROUND AND METHODOLOGY

Rochester State Hospital was closed in June 1982 as a result of a legislative decision in May 1981 when the state legislature was forced to make substantial budget cuts.

The original legislation, calling for the immediate sale of the property, was amended to delay the sale until January 1983.

A task force appointed by Olmsted County had made preliminary recommendations to the legislature in December 1981 concerning the impact of loss of mental health services and use of the facility.

The Governor subsequently appointed this broader-based task force to report to him by December 1982. This task force began meeting in May.

Task Force Work

The work of the task force included:

1. Updating information on the condition of buildings and site.
2. Interviewing and collecting data from potential users.
3. Assessing the impact of the closure and identifying unmet needs.
4. Developing recommendations for both use and ownership.

Public Involvement

The task force felt it was important to involve as many people as possible in providing information and Ideas.

All meetings were open to the public with an opportunity for public comment.

Agendas, providing continuous coverage of the task force's progress, were mailed to news media in the area.

Evaluating Building and Site

Building inspection reports prepared by the earlier task force were updated and verified by local professionals who volunteered their expertise.

A single page report containing key information on each building was prepared as part of a document which was sent to prospective users.¹

Documenting Impact

The task force heard presentations and sought out other possible users who might have need for the type of space the complex provided.

Standardized forms were used to obtain information from prospective users.

Because several contacts were outside the immediate geographic area, a liaison committee was formed with the Rochester Chamber of Commerce to disseminate information about the local social, educational, and economic environment.

Questionnaires were sent to over 200 providers of mental health or associated services in southeastern Minnesota. Seven of the eleven counties were selected for interviews of key providers.¹

This data along with personal testimony offered at three public meetings held in Austin, Rochester and Winona provided the task force with information on the human and Institutional impact of the closure.²

Additionally, data on admission patterns and billings were examined and a financial impact report developed.¹

Results of a client survey¹, contracted for by the Department of Public Welfare, were of limited use since the sample which the department drew was from patients at RSH at the time of the closure and not representative of the population in a fully operating state hospital.

Too few chemically dependent persons were available for a valid sample and mentally retarded persons selected were limited to profoundly retarded institutionalized persons.

New Programs

The task force also heard descriptions of innovative human services which had been instituted in the region and proposals for future changes.

Coordination with Other Organizations

To assure that their findings and recommendations would reflect the thinking of area organizations and

individuals, task force members met with:

District 9 Association of Minnesota Counties
Southeastern Minnesota Association of Social Service Directors
Olmsted County Commissioners
State representatives and senators from southeastern Minnesota

District 9 unanimously approved all recommendations at their meeting of October 29, 1982.

During individual interviews and at a meeting with the task force on October 20, the social service directors strongly supported:

- 1) The dedicated block grant concept.
- 2) Continuation of Temporary Rule 1 for Rule 36 facilities and Rule 14 funding.
- 3) A Unified Crisis Center.

Representatives from the State Department of Public Welfare and Administration attended many of the task force meetings and cooperated in providing available data when requested.

¹Key information from each of these reports is summarized in these appendices. Each full report is available upon request.

²See Appendix V {b}, Highlights from Public Meetings.

BUILDING AND SITE SUMMARY¹Size and Location

Rochester State Hospital is situated at the southeast edge of the city of Rochester, 75 miles southeast of Minneapolis and St. Paul. The 153 acre campus has an inner core of properties which contain ten major buildings, nine of which were constructed between 1949 and 1961. All the buildings are connected by service tunnels. Peripheral structures, located west and east of the main hospital include eight former staff residences and storage buildings. Parking space on the campus accommodates about 575 cars.

Present Use

Currently a 1910 building and the campus remains in use by Probationed Offenders Rehabilitation and Training (PORT). The six smallest residences serve as halfway houses for chemically dependent persons. Four community sponsored mental health programs share one former patient care building and the service building is occupied by state hospital maintenance staff. The greenhouse is used by Rochester Area Vocational-Technical Institute. Seven buildings are unoccupied. The city of Rochester continues to use 55 acres on the western and eastern edges of the grounds for park and recreation activities.

Utility Services

The power plant produces steam to supply all hospital buildings with heat. Electricity is generated only on an emergency basis with primary service from the city of Rochester.

Water is supplied from a deep well pump and storage tower but the campus is also tied into the city water lines for emergency water supply.

A second well is not presently in use.

Three gas-fired (with oil stand-by) boilers exist. The three boilers presently operating are sufficient to meet current and stand-by demand.

The boilers, generating equipment and distribution equipment are in good functioning condition.

Appraised Value

The property has been appraised by the Minnesota Department of Administration, Real Estate Division for \$3.2 million for immediate sale and \$5 million if sold within five years.

Condition of Existing Buildings

The ten main buildings are well maintained and in good condition for their Intended use. An eleventh building, a former receiving center, should be demolished. Since 1977 over \$3 million has been spent bringing these structures into compliance with life safety, fire, and handicapped codes and energy conservation guidelines. Several maintenance items have been postponed. Some major damage is occurring in Building 6 because of needed roof repairs. A summary of current needed maintenance items follows:

Repair Tunnel Leak	\$ 12,000
Repair Well and Plumbing	30,000
Repair Roof	90,000
Upgrade Alarm System	<u>65,000</u>
	\$197,000

All the buildings are of similar construction, consisting of poured-in-place reinforced concrete columns and slabs. The exterior walls are 12" thick and consist of non-load-bearing masonry construction, with double-glazed windows of various types. The roofs are built-up bituminous construction over a two-inch layer of insulation.

Operating Costs and Revenues

Operating cost estimates range from \$3.34 to \$5.01 per square foot depending on how the building is used.

It is estimated that a modest budget for maintenance and central services for the entire complex could range from \$600,000 to \$760,000 per year. {See Table 2 on next page.}

The state currently receives income of nearly \$40,000 annually from: Olmsted County which leases Building 6, Rochester Vo-Tech for greenhouse utilities, PORT and Pine Circle.

¹Southeastern Minnesota Health Systems Agency, "Rochester State Hospital Building and Site Report."

APPENDIX III
ACKNOWLEDGEMENTS

- 21 -

In addition to the more than 250 southeastern Minnesota individuals and organizations that provided valuable information to the task force, special acknowledgement goes to:

Individuals

Steve Barta, Policy Analysis. DPW
Robert Bradley, Manager of Facilities Engineering, IBM
Jay Christensen, Physical Plant Maintenance, RSH
Albert Dorich, Supervisor, State Leases, Department of Administration
Larry Devine, Physical Plant Director, RSH
Howard Eicher, Assistant Director, Dept. of Administration, Real Estate Division,
State of Minnesota
Sheila Kiscaden, Assistant for Human Resources, Olmsted County
Mary Rieder, Ph.D., Department of Economics, Winona State University
Terry Sarazin, Director, Division of Mental Illness, DPW

Organizations

The social service directors and staffs of the eleven counties who supplied data,
patiently answered questions, and arranged for site interviews of service providers.
District 9, Association of Minnesota Counties
Directors of Mental Health Centers in Southeastern Minnesota

Task Force Staffing

Staffing to the Governor's Task Force was provided by:

Rochester State Hospital

Robert Rosenthal, Administrator
Barbara Stuve, Secretary to Administrator

Southeastern Minnesota Health Systems Agency

Gwen Crawley, Executive Director
Tom Hamer, Researcher
Sharon Gates-Hull, Public Information Specialist
Karen Sobotta, Secretary/Bookkeeper
Ruth Voss, Researcher
Dick Willis, Researcher

Leasing Income

The state hospital budgets do not include depreciation, insurance and profit (for capital improvement). Adding maintenance and utility expenses to operating costs is estimated to produce a breakeven leasing cost of \$7,00 per square foot which is very favorable for the area.

Conversion and Code Requirements

If a building usage were to change, the building envelope would have to be brought up to current energy code levels. The campus central steam plant and distribution system may offer cost savings over a conversion to separate utility systems for each building.

The effect of major building code requirements on any proposed alternative use of an existing state hospital building depends entirely on which sections of the building code apply to the proposed structures. The major code requirements which may apply to such changes in use are in four categories: allowable floor areas and height, automatic fire extinguishing systems, energy code (building thermal envelope) and occupancy provisions which include exit systems and handicapped access.

If a proposed use for an existing building remains in the same occupancy group, there are no provisions of the building code which would apply retroactively, unless there is a deficiency which could be dangerous to life, [Section 104 (c)], for new alterations or remodeling [Section 104 (b)].

Based on previous information, building #10 (Community Consultation) does not presently meet life safety or fire codes for former use.

Any alteration or remodeling work within existing use categories would need to conform with the appropriate code provisions involved.

Land Subdivision and Zoning

Minnesota Statutes Subsection 462.358, SUBO. 4 (1980) would allow for the subdivision of the entire campus into lots of more than twenty acres.

Because the interior of the campus has no dedicated right of way or public street, subdivision could best be accomplished through a platting procedure. Redevelopment alternatives are: conventional R-2 regulations, Planned Unit Development or special districts.

TABLE 2
ESTIMATES OF OPERATING COSTS*

Maintenance, Minimum Operation ¹		<u>Maintenance. Full Operation²</u>	
Salaries	\$225,000	Salaries	
		Attain (1.5 FTE, estimate)	\$ 25,000
		Power Plant (7-FTE)	178,162
		Repair and Maintenance (20-FTE)	493,943
		Housekeeping (20-FTE)	281,230
		Unemployment compensation	26,000
			\$1,004,335
Other (including		Fuel and utilities	\$60,335
\$94,000 roof repair		(heat, light, power. water)	24,003
\$ 3,000 well repair		Contract services	47,406
\$23,000 equipment replacement)	521,000	(elevator Maintenance, security)	28,124
		Repairs & maintenance	
	\$746,000	All other costs	
			\$1,564,503

¹Based on study by Minnesota Department of Administration.

²Based on actual 1981 costs, all space occupied and owner providing all utilities, housekeeping, repairs and maintenance.

Summary of Square Footage Analysis

	W/O Powerplant	W/Powerplant	W/O Supply Areas
Gross	666,266	692,723	623,002
Net	469,004	495,461	425,760

*From a report prepared by Peter Connolly with Brian Kelson and Jack Jibben for the Facilities Subcommittee, Olmsted County RSH Task Force, October 1981.

Net to Gross	70.4	71.5	63.3
Cost per Sq. Foot	\$3.34		\$3.67

IMPACT OF CLOSURE ON PATIENTS AND THEIR FAMILIES
SUMMARY¹

Change in Utilization

Contrary to earlier estimates made for the legislature at the time of closure, use of state hospitals by southeastern Minnesota residents dropped only 22.7% rather than the projected 43% with Rochester State Hospital closed.

In nearly one-third of the admissions, patients cannot be accommodated by St. Peter, the hospital in their catchments area for mental illness and chemical dependency.²

Mentally Ill

The greatest impact has been on mentally ill patients in all categories:

Those in crisis..., those requiring hospitalization...and

The chronically mentally ill who previously had been able to function in the community with the security of RSH to positively reinforce progress and serve as a back-up resource in case their conditions deteriorated.

Patients discharged into the community remain confused and frightened about resources, access to the system and what might happen if things become worse.

Four former patients have committed suicide.

Families

There is increased personal expense and emotional stress for families of patients hospitalized at the state hospitals.

Many families cannot afford trips to the facilities,

The clients and families have difficulty understanding the changing service delivery system and the financial mechanisms, consequently some people do not receive the cars they need.

There has been reduced family interaction with hospitalized patients and greater costs involved for the family to visit and for the patient to go home for visits, especially for the 32.9% requiring hospitalization at state hospitals outside the catchments area.²

Community-based alternatives for hospitalization are limited and in some cases much more expensive than state hospitals.

Mentally Retarded

Mentally retarded persons appear to have been least adversely affected.

The closure speeded up the release into the community of those able to function in intermediate care facilities in compliance with the Welsch vs. Noot decree.

Those transferred to Faribault State Hospital appear to show no regression and some benefits from the broader range of services at this larger Institution which is for retarded persons only.

Chemically Dependent

Little information was available about the impact on chemically dependent persons except to document the difficulty of local communities in managing violent patients in need of legal holds.

Geriatric

Most severely mentally ill geriatric patients were transferred to Ah-Gwah-Ching State Nursing Home where isolation is less of a problem for those who have few friends and relatives in their age group.

Several local nursing homes are training staff members in the care of mentally ill patients and receiving technical assistance from local psychiatrists.

¹Southeastern Minnesota Health Systems Agency, Impact Reports.

²Appendix VII, Comparative use of State Hospitals by Southeastern Minnesota Residents.

HIGHLIGHTS FROM THE THREE PUBLIC MEETINGS ON
IMPACT OF RSH CLOSURE
September 7, 8 and 9, 1982

The Governor's Task Force on the Rochester State Hospital conducted public meetings in Winona, Austin and Rochester. Their goal was:

1. To report to the public on changes which have taken place in services to mentally ill, mentally retarded and chemically dependent persons in southeastern Minnesota since the state hospital closed,
2. To seek citizen Input on mental health needs in the area, and
3. To discuss what uses area citizens suggested for the facility.

Approximately 120 persons attended the meetings in addition to members of the Governor's Task Force.

The public gave recommendations for the use of the buildings as well as comments regarding needs in the area. The Governor's Task Force considered these recommendations as they developed their own.

Client Comments

"The backbone has gone out of the treatment for the mentally ill now that the state hospital has gone."

"It was a place of refuge from the world and all its problems."

"I was in Rochester State when it closed, and was inconvenienced by being transferred to Willmar. I missed seeing my mother during the terminal phase of her illness (cancer)."

"Faribault was crowded. Fifty-one percent of the people at Faribault are from Hennepin County. There are problems finding work for the mentally retarded and mentally ill in Faribault so they end up back at the state hospital."

"I was ill this winter, but because of the hospital closing I chose to be hospitalized in Minneapolis instead. Shortly thereafter I moved to Rochester, but was unable to afford to relocate elsewhere. Although my doctor wanted me hospitalized I couldn't afford Saint Mary's. I stayed with friends and relatives instead. Because I had no place to go, I almost committed suicide and almost committed myself to Saint Mary's, but everyone encouraged me to 'hang in there' until I got into Thomas House, which has really helped. But during April and May when I was really bad I had no place to go."

Provider Comments

Area providers of mental health services testified that the closing prompted increased cooperation at the county level among law enforcement personnel, mental health directors, social service directors, local hospital staffs and county commissioners in addressing their mutual problems.

More complete comments made by providers at the public meetings and during other interviews can be found in Appendix V (d), on next page.

APPENDIX V (c)

IMPACT ON PROFESSIONAL EDUCATION SUMMARY

Intern Experience

Rochester State Hospital provided experience for students training in: nursing, pharmacy, surgical technician programs, social work, psychology, rehabilitation therapy and physical therapy.

Over 800 students per year have been affected by the closure.

Clinical experience in psychiatry for nursing students at Rochester Community College, Winona State University, the College of Saint Teresa, and Luther College in Decorah, Iowa has been severely curtailed.

IMPACT ON PROVIDERS OF SERVICES
SUMMARY¹

Surveys were mailed to over 200 area providers including hospitals, mental health centers, nursing homes and units of county government to assess the closing of Rochester State Hospital.

Fifty-one percent responded.

Site interviews with 78 providers were conducted in seven counties: Freeborn, Goodhue, Houston, Mower, Olmsted, Steele and Winona.

Findings from these efforts are summarized below:

Increased Caseloads

The closure of Rochester State Hospital resulted in the loss of a unique, multi-resource facility in the continuum of mental health care.

There has been a major effect on the provision of mental health services to residents of southeastern Minnesota in each of the eleven counties.

Mentally ill persons have been most drastically affected.

The effect is difficult to document in numbers and dollars but is evidenced by an increased number of acute and severe cases that would have gone to RSH that are now being seen at mental health centers, social service agencies, and local hospitals.

There has been a fifty percent increase in caseload at mental health centers and a 65% increase in psychiatric emergency room use at Saint Mary's Hospital, Rochester.

Shift to Local Services

Local alternatives are being used to the extent possible.

Smaller counties rely upon the larger counties for resources.

Support and problem solving among providers has been fostered,

New Services

New services have developed:

1. Holds and inpatient psychiatric care for non-assaultive patients at community hospitals, detoxification at Winona Community Hospital,
2. Saint Mary's Hospital now provides surgery for mentally retarded patients, outpatient electro-convulsive shock therapy for the mentally ill, and an emergency room crisis unit.
3. The monitoring of patient medications by local providers and agencies,
4. DPW Rule 36* programs at Quarry Hill Residential Treatment Unit, in Rochester: three existing facilities in Winona (Carlson Home, Broadway Center, Hiawatha Hall), and
5. The Growth Center in Rochester, a OPM Rule 14 day treatment program for the mentally ill.*

Full Impact Unknown

The full impact of the closure has not yet been felt.

The effect winter will have is unknown at this time.

Providers recommend that a re-evaluation of the Impact should be completed in one to three years.

*Temporary Rule 1 {12 MCAR, 2.001}. Rule 36, Licensed Facilities (Based in part on 5.245.782, Subds. 6 and 9. 12 MCAR S, 2.036). Rule 14 (M.S. 256 E.12, 12 MCAR 2.014).

¹Southeastern Minnesota Health Systems Agency, Provider Survey Report.

IMPACT ON COUNTY GOVERNMENT
SUMMARY¹

Counties are faced with higher costs at a time when budgets are shrinking.

Transportation costs have quadrupled and staff time required to transport patients out of the catchments area often leaves counties with little or no law enforcement protection.

County department of social service personnel are building rapport with other state hospital staffs but are faced with a number of problems, such as:

Added Costs, Work and Inconvenience

1. Beds are not always available at St. Peter for committed patients, so they must be taken a greater distance to Willmar or Fergus Falls.
2. Because the state hospitals encourage admission and discharge of patients from 7:00 a.m. to 3:30 p.m., it is difficult to coordinate transportation with court hearings.
3. Voluntary and hold admissions are discouraged because the state hospitals are often full.
4. County staff cannot participate in patient team meetings because of distance.
5. County staff members rarely speak with physicians, the primary care givers.
6. Patient examination records are not provided to the county for court hearings.
7. Some types of specialized medical and surgical care are not provided. The county must not only assist the patient to receive care but then pay for it.
8. Electro-convulsive shock therapy is given at only two of the state hospitals. Some patients must be transferred to private facilities for this treatment.

Provider Recommendations

Both providers and county social service directors feel the following services and funding mechanisms should be in place:

1. A holding facility closer than St. Peter which would accommodate more difficult, assaultive patients for 72-hour and court order holds.
It would also hold patients throughout the 14-day waiting period until the commitment hearing.
2. Local crisis care units such as the proposed Unified Crisis Center being planned by Olmsted County.
It would offer crisis Intake and Immediate placement in alternatives which could include home care with supervision, temporary residential or foster care and a multi-purpose inpatient unit.
3. Extension and possible expansion of existing programs, including more Rule 14 and Temporary Rule 1 for Rule 36 programs.
4. A dedicated block grant pilot project to provide counties greater local control over mental health expenditures.
5. Housing, not necessarily licensed or supervised for 24 hours, put managed by a human service agency,

¹Southeastern Minnesota Health Systems Agency, "Provider Survey Report."

ECONOMIC AND EMPLOYMENT IMPACT
SUMMARY¹

Business Loss

When Rochester State Hospital closed its doors on June 30, 1982 over 500 jobs were lost to the City of Rochester and an estimated \$7,314,000 direct loss in wholesale and retail sales was experienced by Rochester businesses alone,

The loss in spending came from four sources: employee spending; institutional spending by RSH in the community; patient, family and visitor spending; and volunteer spending.

Business Multiplier

The full effect of the closing will not be felt immediately by the Rochester business community because of gradual terminations, transfers by employees and unemployment benefits.

Estimates are subject to a multiplier effect since there is a regional as well as a local Impact of the closing of the hospital with employees residing in a seven county area of southeastern Minnesota.

Employment

Based on a labor force of nearly 50,000 in Olmsted County, the loss of these 500 jobs represents a permanent one percent Increase in unemployment.

Additionally, in the past, RSH hired approximately 21% of the graduates of Rochester Area Vocational -Technical Institute's human service technician program and 15% of the graduates of their LPN program.

APPENDIX V (g)

FINANCIAL IMPACT
SUMMARY²

County Costs

It is estimated that the eleven counties in southeastern Minnesota will incur over \$262,000 new costs each year as a result of the closure of Rochester State Hospital,

These costs result from:

greater personnel and travel costs in the use of more distant state hospitals.

greater reliance on local inpatient resources which are more expensive than the state hospitals,

services for which there had been no billings from Rochester State Hospital such as day treatment, lithium checks, and electro-convulsive shock therapy.

Reimbursement

Over half of the expense to the state of operating Rochester State Hospital was recovered through reimbursement. The net cost to the state in its last full year of operation is estimated at just over \$6 1/2 million,

Some of that reimbursement income has been shifted to other state hospitals.

Reimbursement lost to the state is from surgeries now performed elsewhere and revenues from counties' use of local hospitals instead of state hospitals.

Unemployment and Severance Costs

Only 90 of the 500 former employees were transferred to other jobs in the state hospital system.

An additional 342 received severance and unemployment benefits.

A total of \$3,018,334 is expected to be paid out by the end of FY 1982 for unemployment compensation, severance and relocation costs.

¹Rieder, Mary. Ph.D., "Economic Impact of Closing of Rochester State Hospital."

²Southeastern Minnesota Health Systems Agency. "Financial Impact of Closing."

TABLE 3
SOUTHEASTERN MINNESOTA
STATE HOSPITAL POPULATION 4/01/82 - 6/30/82*

COUNTY	MENTAL ILLNESS						MENTAL RETARDATION					CHEMICAL DEPENDENCY			
	ANOKA	FERGUS FALLS	MOOSE LAKE	ROCHESTER	ST. PETER	WILLMAR	BRAINERD	CAMBRIDGE	FAIRBANKS	ST. PETER	WILLMAR	FERGUS FALLS	ROCHESTER	ST. PETER	WILLMAR
ADAMS					3	1		1	3			1			
ALLANORE		1	2		4	1	1	1	6					6	1
BECKER			3	1	6	2			2		2	2	1	22	3
BLOOMING		1		1	7			1	4			1		5	
BURNING		2	1		4	2								4	
CHANDLER	1		1	1	9	1		3	3			3		10	
CLAYTON			7	1	32	7		2	4			12	1	12	4
COOK	1		1	1	11	2			16			1	1	8	1
DEER			1		9	2			5	1		3		3	
ELM			1		5			1	7					7	
FRANKLIN			1		5	2	2	1	5			1	1	8	1
GRAND	2	4	18	5	95	20	3	10	55	1	2	24	4	86	10

Total Mental Illness - 144

Total Chemical Dependency - 123

Total Mental Retardation - 71

Total All State Hospitals - 338

*Does not include 14 southeastern Minnesota residents in Oak Terrace or Ah-Gwah-Ching Nursing Homes.
Hospitals designated to take patients from southeastern Minnesota. These hospitals could accommodate only 72 percent of southeastern Minnesota patients.

SOURCE: DPM Report RP20

TABLE 4
COMPARATIVE USE OK STATE HOSPITAL SYSTEM
BEFORE AND AFTER RSH CLOSURE

	Chemical Dependency		Mental Illness			Mental Retardation		
	1981 RSH	1982 St. Peter	1981 RSH	1982 St. Peter ¹		1/1/81 ²	1982 ³	
				Actual (Months)	Annualized			
Dodge	23	5	24	4	(6)	8	6	4
Fillmore	26	4	31	6	(4)	18	12	8
Freeborn	44	56	26	12	(6)	24	8	4
Goodhue	15	13	45	8	(4)	24	7	5
Houston	22	10	18	4	(6)	9	10	0
Hower	19	12	44	16	(6)	32	19	6
Olmsted	147	55	134	26	(4)	84	22	6
Rice	8	18	48	18	(6)	36		16 ⁴
Steele	11	5	38	12	(6)	24	3	6
Wabasha	23	19	33	4	(5)	9	10	8
Winona	59	30	42	4	(5)	7	16	8
Total	397	227	483			275	113	71

¹Snift to St. Peter as follows:

12/1/81 Dodge, Rice, Steel.

1/1/82 Freeborn, Hower

2/1/82 Houston, Wabasha, Winona

3/1/82 Fillmore, Goodhue, Olmsted

²Patient census RSH on 1/1/81

³Actual printout from county poor relief billings.

⁴Because Faribault State Hospital for the retarded is located in Rice County, the county did not use RSH. It has more MR patients because patients under state guardianship at Faribault State Hospital are counted as Rice County residents.

Source: State Hospital Annual Reports.

TABLE 5
PERCENTAGE CHANGE IN USE OF STATE HOSPITAL SYSTEM

	<u>Before Closing</u> <u>1980</u>	<u>Since Closing</u> <u>1981</u>	<u>Actual Percent</u> <u>Change</u>	<u>Estimated Percent</u> <u>Change**</u>
CO	397	315	-21%	-90%
HI	483	398	-17.6%	-40%
HO	<u>113</u>	<u>55</u>	-51%	-10%
TOTAL	993	768	-22%	-43%

*The MR total for 1982 excluded the 16 patients at Faribault to allow for comparable results.

**Estimate from Dave Buelow to State Legislature.

Note: The percentage served outside the catchment area from Table 4 has been applied to patient census figures from Table 5 to obtain actual percentage Change in use following closure of RSH.

RESOURCE INVENTORY OF MENTAL HEALTH SERVICES IN SOUTHEASTERN MINNESOTA
September 1982

*Indicates New Service

Dodge County

Luther Youngdahl Human Relations Center (MHC) satellite offices: Kasson- one day per week, Hayfield, Dodge Center - half day per week. Psychiatrist available in Owatonna.

Fillmore County

Zumbro Valley Mental Health Center satellite offices in Preston and Spring Valley: staffed one day per week; psychiatrist consults with public health nurses and social workers once per month.

*School psychologist contracted through SE MN Special Education Cooperative and Fillmore County, to open office in Rushford in future.

Freeborn County

Naeve Hospital: Two hold rooms in use for the past 12 years, some inpatient psychiatric treatment, and full time psychiatrist.

Fountain Lake Treatment Center: Regional detoxification and hold center, CD treatment, and *transportation car for holds,

Chemical Dependency Center (County): I and R. PSI's for DWI evaluations, responsible for school programs, community education.

Freeborn County Mental Health Center: Psychiatrist spends one day per week at MHC,

Four NO's are used as examiners and help fill in gaps. Most are familiar with medications. Also have used Doctor Bohrod, Mower Mental Health Center, when Freeborn MHC is not covered by a psychiatrist.

Board and Care Homes: Connors in Albert Lea - MI
 Norstude - CD
 Thompson

Alice Hotel: low rent housing

Goodhue County

Zumbro Valley Mental Health Center, Red Wing: Full time psychologist available, psychiatrist and nurse consultations available to nursing homes and other agencies through ZVMHC - Rochester.

Community Support Project {through ZVMHC}

Morley House: House rented by Goodhue County from a local church: offices of CSP located there, provides transitional housing for three to four chronic mentally ill persons from six months to one year; may provide short stay "time out" crisis room.

*St. John's Hospital: One holding room, some psychiatric inpatient treatment, outpatient CD program.

*Licensed consulting psychologist, Interstate Medical Center TeePee Tonka Hotel, Mohawk Hotel: Low rent housing,

Houston County

Hiaawatha Valley Mental Health Center. Caledonia: Staff available several days per week.

Caledonia Hospital: Occasionally used for detoxification, two physicians. Skemp Grandview Clinic, LaCrescent: Two physicians

Mower County

Mower Mental Health Center: One licensed consulting psychologist, one psychiatrist.

ACT {Adult Community Treatment}: Rule 14 funded day program through Mower Mental Health Center, capacity up to 15 people.

*St. Olaf Hospital: One hold room, some psychiatric inpatient treatment.

Sheriff's Boys Ranch, Austin: Home for emotionally and behaviorally children.

Mower County (continued)

Gerard School, Austin: School/Home for emotionally and behaviorally disturbed children.
Agape House: CD halfway house,

Olmsted County

Zumbro Valley Mental Health Center; Detox unit and hold, "weekly psychiatrist and nurse consultation to Red Wing area (nursing homes). weekly staff visits in both Preston and Spring Valley, psychiatrist consults monthly with public health nurses and social workers in Fillmore

*Quarry Mill Residential Treatment Program: Eighteen month grant funded under Temporary Rule 1 for residential treatment programs, licensed under Rule 36, for MI-CD up to 60 days, Located in Building 8, RSH site. It is a program of Olmsted County through Olmsted Community Hospital. Zumbro Valley MHC and Thomas Group, Inc.

Thomas House: Rule 22, small amount from Temporary Rule 1 through December 1982; residential MI halfway house.

Circle Center: Rule 14 social-recreational program for MI.

*The Growth Center: Rule 14 day treatment program for MI.

Saint Mary's Hospital: Eighty bed adult inpatient psychiatric treatment {30 -lock ward, 50 - open ward), 19 bed adolescent unit, "holding rooms, *emergency room provides crisis care. *Psychiatric social worker also follows up persons seen in ER but not admitted for appropriate referral. *Surgery for the mentally retarded. *Outpatient electroshock

Family Consultation Center

Center for Effective Living: Psychologist

Lucas Psychological Clinic: Licensed consulting psychologist

Associates in Psychiatry and Psychology: Psychiatrist licensed consulting psychologist, psychiatric social worker.

Doctors frequently used as court examiners are from the ZYMHC, Associates in Psychiatry. Lucas Psychological Clinic, Retired RSH Doctor and one doctor from Chatfield. Occasionally use psychologist from Center for Effective Living.

Parker, Park, Pennington, Maxwell Hotels: Low rent housing.

Cronin Home: Board and care facility far CD.

Pine Circle: CD halfway house.

Sunrise: Outpatient CD-MI treatment for adolescents, family therapy.

Rochester Methodist Hospital: Adult and adolescent chemical dependency treatment unit.

Mayo Clinic: Outpatient treatment, psychiatric and CO.

Independent School District 535: Project 8, employee assistance program. counseling for referral to appropriate treatment,

Rice County

Faribault State Hospital

Three licensed consulting psychologists in Faribault

One licensed consulting psychologist in Northfield

Family focus (under Waseca Memorial Hospital}, Faribault: Outpatient CD treatment.

District One Hospital, Faribault: Occasionally used for hold. Northfield City Hospital: Occasionally used far hold,

Rice County Family Services [MHC under Rice Co, Social Services): MI and MR consultation: CD evaluations go to Family Focus.

Hunan Resource Center, Northfield: private mental health services; no CD

Constance Bultman Wilson Center. Faribault: School, long-term residential adolescent psychiatric program.

Laura Baker School, Faribault: School/supervised living facility for the mentally retarded.

Steele County

Luther Youngdahl Human Relations Center (Mental Health Center): part time psychiatrist.

*Owatonna Hospital: Hold room, some extended holds through commitment.

West Hall Lodge: CD halfway house.

RESOURCE INVENTORY OF MENTAL HEALTH SERVICES IN SOUTHEASTERN MINNESOTA

Wabasha County

*St. Elizabeth's Hospital: One hold room soon to be available.

Hiawatha Valley Mental Health satellite offices: Wabasha-staffed four days per week; Lake City-one day per week; licensed consulting psychologist available; psychiatrist available through Winona office; CD counseling two days per week in Wabasha.

Winona County

Hiawatha Valley Mental Health Center: Part time psychiatrist.

*Rule 3b Program, funded by temporary Rule 1 (through Mental Health Center):

Broadway Center - a six bed, 24 hour intensive type MI therapy which opened August 16, length of stay from a few nights to four or five weeks.

Carlson Home - residential MI treatment for older adults.

Hiawatha Hall: MI halfway house under St. Francis Hospital, LaCrosse, oriented toward younger adults.

*Psychiatrist one day a week for Rule 36 facilities from LaCrosse through Hiawatha Valley Mental Health Center.

Community Support Program (Rule 14) - Through Hiawatha Valley Mental Health Center.

*Winona Community Hospital: Four 72-hour hold rooms (can't take violent, dangerous cases), detoxification program (work with Mental Health Center. opened January 5, 1982), Originally detox was a six month experiment; now re-evaluating.

National, Washington, West-End Hotels: Low rent housing.

Resources Frequently Used Outside the RegionWisconsin

LaCrosse Lutheran Hospital: Inpatient and outpatient psychiatric treatment.

St. Francis Hospital, Lacrosse: Inpatient and CO psychiatric treatment.

Siena Hall, LaCrosse: Halfway house under St. Francis Hospital.

Lair House, LaCrosse: CD halfway house

Three quarters-way CD House, Viroqua

St. Croix Dell: Inpatient CD treatment

Minnesota

Sanctuary Group Home, Minneapolis: CD halfway house.

Omegon Residential Center, Minneapolis: CD Treatment Center.

New Corrections, Inc., St. Paul: CD Treatment Center.

St. Mary's Hospital. Minneapolis: Inpatient and outpatient psychiatric and CD treatment.

Abbott-Northwestern, Minneapolis

VanGuard, Minneapolis: CD treatment.

Hope Transition, St. Paul: CD halfway house.

Hoikka House, Minneapolis: MI halfway house

Center for Behavior Therapy, Minneapolis

Re-entry House, Minneapolis: CD halfway house

Hastings Detox and Inpatient CD Unit

St. Josephs-Immanuel Hospital, Mankato: Inpatient psychiatric treatment.

Chain of Lakes, Fairmont: CD halfway house

VA Hospital. Minneapolis

VA Hospital, St. Cloud

Minnesota State Hospitals:

St. Peter: MI-CD

Willmar: MI-CD

Fergus Falls: Nearest adolescent CD unit, long-term MI, MR

Faribault: MR

Cambridge: MR

Moose Lake: MR

Anoka: MI, rarely used by SE MN

Resources Recently Closed Which Were Used by SE MN Residents

Beth) Yeshua, Red Wing: Christian Home for Women.

Cannon Valley Center. Cannon Falls: CD residential adolescent treatment program

Girl's Villa, Austin: Home for emotionally and behavioral disturbed children.

St. Michael 's, LaCrosse: Home for emotionally and behavioral disturbed children.

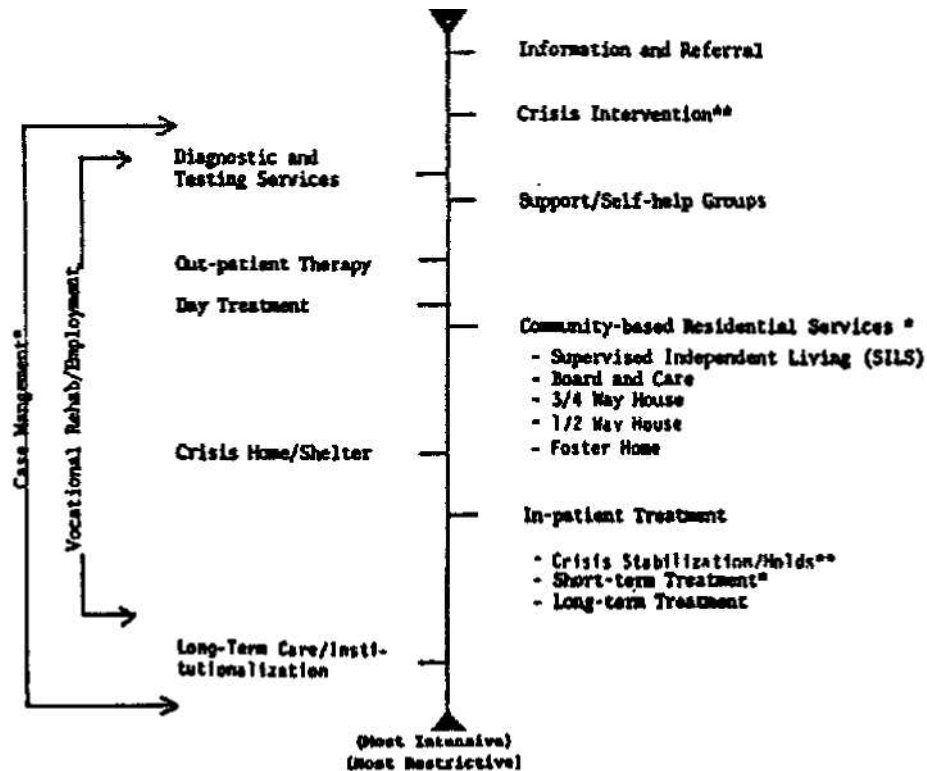
SOUTHEASTERN MINNESOTA CONTINUUM OF CASE AND SERVICE NEEDS FOR THE MENTALLY ILL,
CHEMICALLY DEPENDENT, AND MENTALLY RETARDED OCTOBER 1982

The continuum of care should be dynamic and flexible and allow for the movement of Individuals from one service to another based on their current needs and treatment plan developed in consultation with the case Management and social support system.

Entry to the continuum can/will be at any point. Movement can be in either direction and to any other point as the client's needs require. Successful treatment would tend to keep the general flow of clients moving from most to least restrictive service.

MENTAL ILLNESS

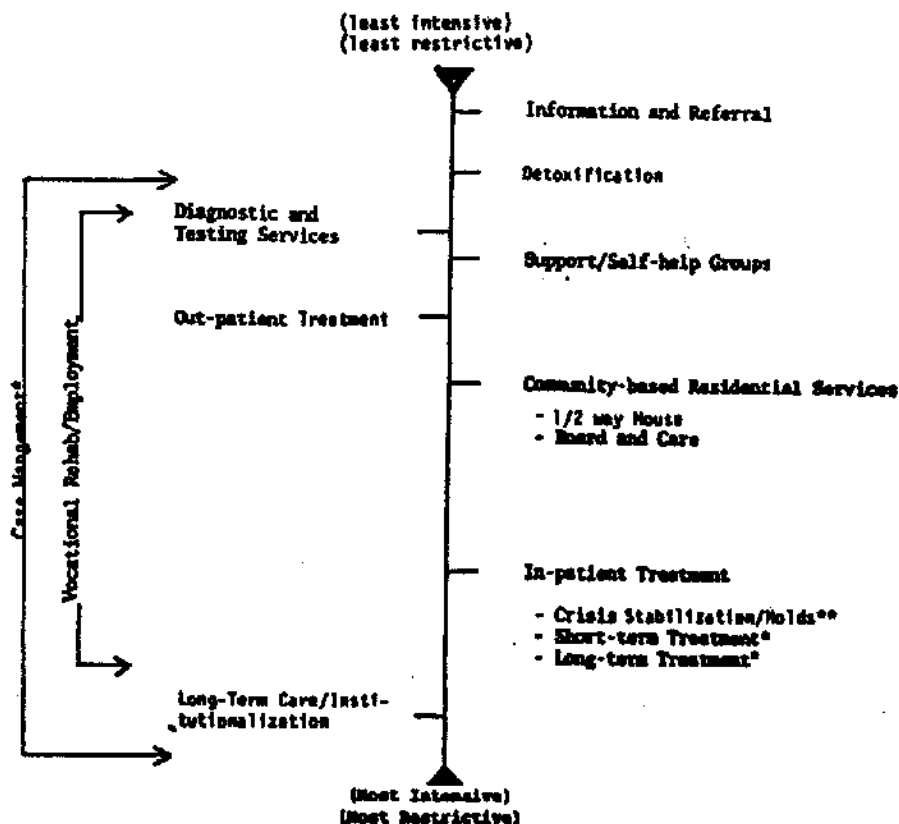
(least intensive)
(least restrictive)



** Replacement or Improved Services Most Urgently Needed as Result of the Rochester State Hospital closure.

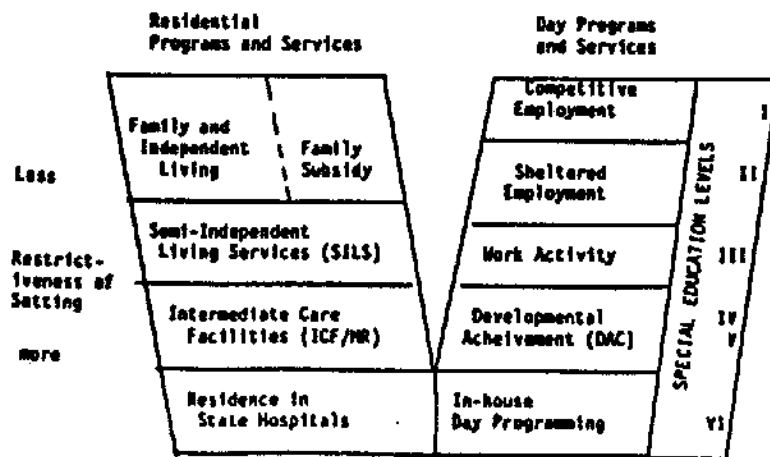
* Replacement or Improved Services Needed as a Result of Rochester State Hospital closure.

CHEMICAL DEPENDENCY



- ** Replacement or Improved Services Most Urgently Needed as Result of the Rochester State Hospital closure.
- * Replacement or Improved Services Needed as a Result of Rochester State Hospital closure.

MENTAL RETARDATION



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